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July 18, 2010

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Sandi Olsen, Administrator (3) copies
Remediation Division
Department of Environmental Quality
P. O. Box 200901
Helena, Montana 59620-0901

RE: Consent Decree Process Ponds Operable Unit East Helena
Superfund Site, Progress Report #237, June 2010

Dear Gentlemen and Madam:

On December 27, 1990, a Consent Decree (the Decree) executed by
ASARCO Incorporated (ASARCO), the United States Environmental

Protection Agency (EPA), and the United States Department of Justice (DOJ) was entered for the East Helena Superfund site. The Decree addresses remediation of the Process Ponds operable unit and requires ASARCO to perform the Work specified in the Record of Decision, issued on November 22, 1989, and the Comprehensive Remedial Design and Remedial Action Work Plan for the Process Ponds operable unit (Work Plan), both of which have been incorporated into the Decree. The Record of Decision was subsequently amended by an Explanation of Significant Differences on June 17, 1993, based on changes in RCRA requirements and site conditions.

On December 9, 2009, the Montana Environmental Custodial Trust (the Custodial Trust) was established as part of the larger ASARCO bankruptcy settlement agreement approved by the Bankruptcy Court (SD, Texas) and the US Federal District Court (SD, Texas). A Consent Decree and Settlement Agreement regarding Montana Sites (the Settlement Agreement) was entered into by ASARCO, DOJ, EPA, the State of Montana (the State) and the Montana Environmental Trust Group, LLC, not individually, but solely in its representative capacity as Trustee for the Montana Environmental Custodial Trust. The Settlement Agreement describes the role and responsibilities of the Custodial Trust, which include owning, managing, and overseeing the clean-up and revitalization of ASARCO's property in East Helena, Montana (the Site). The United States and the State are the two designated beneficiaries of the Custodial Trust (the Beneficiaries).

Section VIII of the Decree (Reporting Requirements) requires submittal of certified monthly progress reports to EPA and the State, which discuss actions taken in achieving compliance with the Decree. These reports are to be submitted to EPA and the State on or before the 20th day of each month after the lodging of the Decree, unless and until EPA agrees that work covered by the Decree has completed to EPA's satisfaction.

Consistent with the terms of the Settlement Agreement, ASARCO prepared and signed a stipulation to substitute the Custodial Trust for

ASARCO in connection with the Decree. As of the date of this report, DOJ and EPA are proceeding with plans to file a motion to terminate the Decree in US Federal District Court. The Custodial Trust submits this progress report and any future progress reports as prescribed in the existing Decree. Such reports will be submitted by the Custodial Trust until such time as the Decree is terminated and closed and progress reports are no longer be required.

The following describes only those activities that have occurred or are otherwise related to projects performed during June 2010 as set forth in the attached. The historical actions taken in achieving compliance with the Work Plan are contained in previous monthly progress reports.

a. **A description of the actions taken toward achieving compliance with the Decree, including plans and actions completed during the reporting period.**

There were no actions taken during June 2010 towards achieving compliance with the Decree.

On May 5, 1998, ASARCO and EPA entered into a Consent Decree to further the objectives of the Resource Conservation and Recovery Act (RCRA) and the Clean Water Act (CWA). Section XI of the RCRA Consent Decree (Reporting: Corrective Action) requires submittal of certified monthly progress reports to EPA, which discuss the actions taken in achieving compliance with the RCRA Consent Decree. These reports are being submitted to EPA no later than the twentieth (20th) day of the following month. The details of RCRA Consent Decree remedial actions can be found in these reports.

b. **A description and estimate of the percentage of the Work completed, and an evaluation of any progress toward meeting Remediation Levels set forth in the Decree.**

Process Pond Operable Unit: With the permanent disposal of Lower Lake sediments in the CAMU Phase 1 cell, 100%* of the work is completed. The November 2006 construction of a slurry wall in the former Acid Plant Sediment Drying area permanently controls underlying soils in this area.

- Replace Lower Lake with Tanks - Tank installation was 100% completed in 1989.
- Sealing of Concrete Pad to Accept Excavated Lower Lake Sludges and Sediments - Sealing of the pad was 100% completed in 1994.
- Process Water Treatment Facility - The originally scheduled construction work associated with the High Density Sludge (HDS) water treatment facility was 100% completed in 1994. Subsequent improvements to the HDS plant to improve effluent quality at the full 100 gpm rated capacity were completed in March 1997.
- Dredge Lower Lake Sediments - The work associated with dredging Lower Lake was 100% complete during August 1996.
- Removal of the Acid Plant Sediment Drying Pad and Underlying Soils (This area, located between Upper and Lower Lakes, was identified by the ESD) - EPA deferred cleanup of this area, pending a thorough evaluation by EPA of the area's groundwater and surface soil composition and EPA's evaluation of ASARCO's interpretation of this data. In November 2006, (through public comment and EPA approval) construction of a slurry wall in the former acid sediment drying area was completed. This action isolated the groundwater and sediments that act as a source of elevated arsenic and metal concentrations in down gradient

* The stormwater collection and retention facilities plus in situ treatment of Lower Lake water are no longer considered components of the Process Ponds Operable Unit See Section A.

groundwater wells. On July 24, 2008, the Interim Measures Work Plan, Former Acid Plant Sediment Drying Area Slurry Wall, Monitoring, Operations and Maintenance Report was submitted to EPA.

- Treatment of Lower Lake - Treatment through the HDS Water Treatment Plant. A joint study was initiated in September 1995 to examine operational changes, which would improve HDS water treatment plant effluent quality. Improvements to the HDS plant have been implemented which allow the effluent to meet or exceed MPDES final permit limits. The design improvements focused on meeting MPDES permit limits and not on meeting ROD limits. See Section A for additional discussion.
- Construction of Storm Water Collection Facility - The stormwater system is addressed under Montana's stormwater permit program.
- Storage of Excavated Sludges and Sediments and Smelting in the Smelter Process - 100% of the Lower Lake sediments were transported to the CAMU Phase 1 Cell for permanent disposal.
- Speiss Granulation Pond and Pit: 100% of the work associated with the Speiss Granulation Pond and Pit was completed in 1995. A project completion report was submitted to EPA during January 1996. In November 2007, (through public comment and EPA approval) constructed a slurry wall in the former speiss granulation pond and pit area was completed. This action isolated the groundwater and sediments that act as a source of elevated arsenic and metal concentrations in down gradient groundwater wells. On September 18, 2008, the Interim Measures Work Plan, Speiss-Dross Area Slurry Wall, Monitoring, Operations and Maintenance Report was submitted to EPA.

- Acid Plant Water Reclamation Facility: 100% of the on-site construction was completed in 1992. 100% of the demolition associated with the Acid Plant Water Treatment Settling Pond was completed in 1993.
- Former Thornock Lake: 100% of the work associated with former Thornock Lake was completed in 1991.

- c. **A description of any activities that deviated from or were carried out in addition to those provided for in the work plan, which occurred during the reporting period.**

There were no activities that deviated from or were carried out in addition to those provided for in the work plan, which occurred during the reporting period.

- d. **Summaries of significant findings pertaining to the remedial design and remedial action during the reporting period.**

No significant findings pertaining to the remedial design and remedial action occurred during the reporting period.

- e. **Summaries of all changes made in the remedial design or remedial action during the previous month.**

There were no changes in the remedial design or remedial action during the previous month.

- f. **A description of all unresolved problems or potential problems encountered during the reporting period that may cause a performance delay and a description of efforts made to mitigate those delays.**

Improvements to the HDS water treatment plant have been performed. Any excess treatment capacity of the HDS plant could be used to treat Lower Lake water or on-site groundwater.

- g. Change orders, nonconformance reports, claims made, and actions taken to rectify problems.**

No change orders, nonconformance reports, claims made or actions were taken to rectify problems.

- h. Changes in Project Coordinator or Contractors during the reporting period.**

As previously stated, on December 9, 2009, the Montana Environmental Trust Group, LLC, not individually, but solely in its representative capacity as Trustee for the Montana Environmental Custodial Trust, serves as Trustee for the Custodial Trust and the Project Coordinator and Contractor during the reporting period.

- i. Projected work for the next reporting period, including a schedule by week of design and construction activities for the next reporting period.**

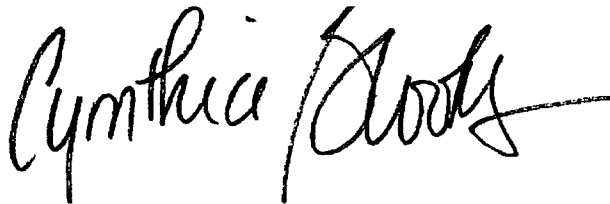
No CERCLA construction activities are scheduled for July 2010. A complete discussion of the scheduled investigations and construction activities associated with the RCRA Consent Decree is contained in separate monthly progress reports.

- j. Copies of inspection logs and results of all sampling and tests, data validation packages and all other data (including invalidating and validated analytical data on Contract Laboratory Program Form I's or in a similar format), as defined in the Quality Assurance Project Plan (QAPP), received or produced during the course of Work during the previous month.**

There are no copies of inspection logs or results of sampling and tests, data validation packages, or any other data that was produced during June 2010.

I certify that information contained in or accompanying this submission is true, accurate and complete. As to those identified portions of this submission for which I cannot personally verify their truth and accuracy, I certify as the company official having supervisory responsibility for the persons who, acting under my direct instructions, made the verification, that this information is true, accurate and complete.

Sincerely,

A handwritten signature in black ink, appearing to read "Cynthia Brooks", with a long horizontal flourish extending to the right.

Montana Environmental Trust Group, LLC
Trustee of the Montana Environmental
Custodial Trust

By: Greenfield Environmental Trust Group, Inc.
Member

By: Cynthia Brooks, President

cc: Betsy Burns
Linda Jacobson